

Message Text

CONFIDENTIAL

PAGE 01 WARSAW 01838 281506Z

51

ACTION EUR-12

INFO OCT-01 ISO-00 SAJ-01 BIB-01 NIC-01 EB-07 COME-00

OMB-01 CIEP-01 TRSE-00 STR-04 OPIC-03 AGR-05 FRB-03

CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 XMB-02 /086 W

----- 025845

R 281425Z MAR 75

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 4077

INFO AMEMBASSY MOSCOW

AMCONSUL MUNICH

AMCONSUL KRAKOW

AMCONSUL POZNAN

C O N F I D E N T I A L WARSAW 1838

E.O. 11652: GDS

TAGS: PINT, ECON, PL

SUBJECT: PREMIER DEFENDS ECONOMIC POLICIES

REF: WARSAW 1503 AND PREVIOUS (NOTAL)

1. SUMMARY: IN SURPRISINGLY DEFENSIVE TERMS PREMIER JAROSZEWICZ ASSESSED THE REGIME'S CURRENT INVESTMENT POLICIES AT A SEJM SESSION MARCH 26. THE LENGTHS TO WHICH HE WENT TO JUSTIFY THE REGIME'S APPROACH AND, PARTICULARLY, ITS UPWARD REVISION OF MANY GOALS SINCE THE SIXTH CONGRESS IN 1971 GIVE THE IMPRESSION HE WAS ADDRESSING SPECIFIC CRITICISM NOT ONLY FROM THE PUBLIC BUT POSSIBLY FROM WITHIN PARTY AND GOVERNMENT CIRCLES AS WELL. JAROSZEWICZ'S DEFENSIVE TONE IS THE MORE STRIKING IN LIGHT OF VICE PREMIER JAGIELSKI'S REPORTING AT THE OPENING OF THE SEJM SESSION ON THE IMPRESSIVE ACHIEVEMENTS OF THE PAST FOUR YEARS WHICH, AS ONE EDITORIAL NOTED, HAVE GIVEN POLAND STATISTICALLY ONE OF THE WORLD'S MOST RAPIDLY DEVELOPING ECONOMIES. ALTHOUGH THE PREMIER ESSENTIALLY REAFFIRMED THE BASIC DIRECTIONS CHARTED BY THE GIEREK REGIME
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 WARSAW 01838 281506Z

AND STRONGLY SUGGESTED THEY WOULD BE CONTINUED BY THE SEV-

ENTH CONGRESS WHICH MEETS LATE THIS YEAR, HIS DEFENSIVE ATTITUDE SUGGESTS THAT HARD QUESTIONS ARE BEING RAISED AS THE CONGRESS APPROACHES. END SUMMARY.

2. THE MAIN POINTS JAROSZEWICZ DEFENDED WERE THE REGIME'S POLICY OF HEAVY FOREIGN INDEBTEDNESS AND THE HIGH RATE OF INVESTMENTS. THOUGH ACKNOWLEDGING DIFFICULTIES IN THE INVESTMENT PROGRAM, HE EMPHASIZED THAT STRAINS CAN BE EXPECTED TO ACCOMPANY A POLICY OF DYNAMIC GROWTH. NEITHER HE NOR JAGIELSKI MENTIONED THE RECENT MEAT CRISIS (REFTTEL).

3. REGARDING CREDITS, HE CLAIMED THAT POLAND IS SEEKING LOANS AT FAVORABLE WORLD RATES AND THAT THESE ARE CAREFULLY UTILIZED TO SUPPLEMENT DOMESTIC MEANS. HE CATEGORICALLY DENIED THAT THE RATION OF CREDITS TO EXPORT EARNINGS HAS EXCEEDED GENERALLY ACCEPTED LIMITS. JAROSZEWICZ VIGOROUSLY DEFENDED THE REGIME'S STRONG EMPHASIS ON INVESTMENT, DECLARING THAT, HAD THE REGIME NOT INCREASED ITS INVESTMENT GOALS, THE CURRENT IMPROVEMENT IN THE STANDARD OF LIVING WOULD BE ONLY WEAKLY BASED.

4. COMMENT: DESPITE EVIDENT CRITICISM OF THE GIEREK REGIME'S ECONOMIC POLICIES, WE HAVE NO EVIDENCE OF THE FORMATION OF ANY POLITICAL FACTIONS AGAINST THE LEADERSHIP. THE CRITICISM APPEARS TO INVOLVE MAINLY THE RAISING OF HARD QUESTIONS OF ECONOMICS, AND THEY MAY BE COMING MORE FROM THE TECHNOCRATS THAN THE POLITICIANS. DURING THE PRE-CONGRESS STOCK-TAKING THAT IS NOW CLEARLY UNDERWAY, HOWEVER, THE DISCUSSION COULD BECOME HEATED. IF IT IS ALSO ACCOMPANIED BY FURTHER ECONOMIC CRISES SUCH AS OCCURRED LAST MONTH WITH MEAT, THE OPPORTUNITIES FOR POLITICKING AND FACTIONALISM WOULD RISE ACCORDINGLY. DAVIES

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, ECONOMIC CONDITIONS, ECONOMIC PROGRAMS, INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975WARSAW01838
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750109-0580
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975034/aaaaadqk.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 WARSAW 1503
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 30 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 MAY 2003 by ifshinsr>; APPROVED <02 JUN 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PREMIER DEFENDS ECONOMIC POLICIES
TAGS: PINT, ECON, PL, (JAROSZEWICZ, PIOTR)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006